and sale of Beer at/from the Restaurant premises and (iii) interest free refundable Security deposit of Rs. 71.40 lakhs.

Airport Restaurant, Kolkata: Hotel Airport Ashok Kolkata (including Airport Restaurant, Kolkata) has been disinvested in favour of M/s. Bright Enterprises Pvt. Ltd. (BEPL) on 8.7.2002. For the restaurant, BEPL paid Rs. 3,46,45,817/- towards outstanding liabilities of ITDC payable to AAI; executed an agreement with AAI for operating and managing the restaurant from 8.7.2002 to 7.7.2007 and would pay AAI: (i) annual license fee of Rs. 30 lakhs increasing @ 10% per annum; (ii) fixed amount of Rs. 70.10 lakhs per annum for providing in-flight catering and sale of Beer at/from the Restaurant premises and (iii) interest free refundable Security deposit of Rs. 71,40,000/-.

Airport Restaurant, Aurangabad: Hotel Aurangabad Ashok has been disinvested in favour of M/s. Loksangam Hotels & Resorts Pvt. Ltd. (LHRPL) on 4.9.2002. This hotel unit was providing catering services at the Airport Restaurant, Aurangabad without any formal agreement with AAI. In the absence of any formal agreement bewteen ITDC and AAI, the following was provided under the Representations & Warranties of the Government in the transaction document:—

> "While the unit has been providing catering services at the Airport Restaurant, Aurangabad owned by Airports Authority of India, no formal agreement in this regard has been executed."

Since disinvestment of Hotel Aurangabad Ashok was concluded on the basis of the above Representations & Warranties, it has been left open to LHRPL to negotiable the terms & conditions of taking over the Restaurant from AAI.

(c) There is no loss to the Government due to licensing of the Airport Restaurants by AAI to the Lessee/purchasers of the respective hotel units.

Disinvestment of Hindustan Vegetables Oil Corporation Ltd.

3002. SHRI RAMACHANDRA KHUNTIA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Disinvestments Commission has recommended to

separate the Breakfast Food Unit of Hindustan Vegetables Oil Corporation Ltd. to convert it into a new company and subsequent sale of its 100% holdings;

(b) if so, the reasons for delay in its privatisation; and

(c) by when the breakfast unit of HVOC is likely to be disinvested?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) The Disinvestment Commission, in its Report of December 1997, had recommended that the Hindustan Vegetable Oils Corporation's (HVOC) operations in Vanaspati and packaging of refined oils be discontinued with immediate effect. The Commission also recommended that the Breakfast Foods business be hived off into a new company and subsequently 100% holding be sold through a competitive bidding process. The Government examined the recommendations of the Disinvestment Commission and decided in September 2002 to close down all the units of the company, including the Breakfast Food Units (BFFU) in respect of which the Disinvestment Commission had recommended hiving off into a new company. The Board for Industrail and Financial Reconstruction (BIFR), which had already declared HVOC as a sick industrial company on 24-12-1999, was accordingly informed and on 7-12-2001 the BIFR passed an Order that it was just, equitable and in public interest to wind up the company and forwarded its recommendations in this regard to the high Court of Delhi. The matter of winding up of HVOC is pending in the High Court of Delhi.

Disinvestment of ITDC Hotels

†3003. Dr. ABRAR AHMED: Will the Minister of DISINVESTMENT be pleased to state:

(a) the Government hotels and Public Sector Undertakings which are to be disinvested;

(b) whether Government would adopt the former modus operandi or would consider modifications in this regard;

(c) if so, the details thereof;

† Original notice of the question was received in Hindi.